



**UNITED STATES DEPARTMENT OF COMMERCE**  
**National Telecommunications and**  
**Information Administration**  
Washington, D.C. 20230

**RECEIVED**

September 24, 1996

**SEP 24 1996**

Federal Communications Commission  
Office of Secretary

Mr. William F. Caton  
Acting Secretary  
Federal Communications Commission  
1919 M Street, N.W.  
Room 222  
Washington, D.C. 20554

**DOCKET FILE COPY ORIGINAL**

Re: Amendment of the Commission's Regulatory Policies to  
Allow Non-U.S. Licensed Space Stations to Provide  
Domestic and International Satellite Service in the  
United States, IB Docket No. 96-111

Dear Mr. Caton:

The National Telecommunications and Information  
Administration (NTIA) files herewith four copies of a letter from  
Larry Irving, Assistant Secretary of Commerce for Communications  
and Information, to Chairman Reed Hundt in the above-captioned  
proceeding.

Please refer any questions to the undersigned at (202) 482-  
0012.

Yours truly,

Bruce A. Henoch  
Attorney-Advisor

Attachments

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UNITED STATES DEPARTMENT OF COMMERCE  
The Assistant Secretary for  
Communications and Information  
Washington, D.C. 20230

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The Honorable Reed E. Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, N.W.  
Washington, D.C. 20554

Federal Communications Commission  
Office of Secretary

Re: Amendment of the Commission's Regulatory Policies to  
Allow Non-U.S. Licensed Space Stations to Provide  
Domestic and International Satellite Service in the  
United States, IB Docket No. 96-111

Dear Chairman Hundt:

I am writing as the head of the National Telecommunications and Information Administration (NTIA), which is part of the Department of Commerce and responsible for promulgating and advocating policies regarding the Federal Government's use of the radio spectrum. This letter responds to the spectrum management issues raised in the Commission's Notice of Proposed Rule Making (NPRM) in the above-captioned proceeding, which is often referred to as "DISCO II." NTIA plans to file additional comments in the near future pertaining to other aspects of the NPRM.

The NPRM proposes changes in U.S. policies for addressing applications from non-U.S. satellite earth stations. Based on a reading of the NPRM in its entirety, it is our understanding that the Commission intends to apply these policies to commercial satellite systems that are subject to other Commission rules, such as those found in Part 2 and Part 25 of the 47 CFR. This is not explicitly stated in the NPRM. Interference to incumbent Government users may result in frequency bands allocated for exclusive Federal Government use if the scope of the proposed rules is not clarified.

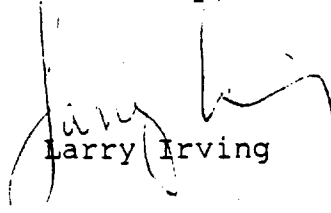
We therefore recommend that the Commission make explicit the frequency bands and services to which the rules adopted in this proceeding will be applicable. Accordingly, the Commission should specify that the rules will apply to frequency bands that are allocated for exclusive non-Government use and to bands allocated for shared Government/non-Government use only (provided that rules for shared use are adopted, as discussed below). The Commission should also state explicitly that the DISCO II rules will not apply to frequency bands allocated for exclusive Government use.

In addition, we wish to remind the Commission that it must coordinate with NTIA before it implements any rules that permit

the use of bands allocated for shared Government/non-Government use to prevent any interference with Government uses in these bands.<sup>1</sup> As part of this effort, the Commission should work with NTIA to adopt technical standards for earth stations operating with non-U.S. space stations in shared Government/non-Government bands to ensure efficient and interference-free use of the spectrum.

We look forward to working with you and your staff to reach a satisfactory conclusion on these spectrum issues. If you have any questions, please call William Gamble, NTIA Deputy Associate Administrator, at (202) 482-1850.

Sincerely,



Larry Irving

cc: The Honorable James H. Quello  
The Honorable Susan Ness  
The Honorable Rachelle B. Chong  
William E. Kennard, General Counsel

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<sup>1</sup> See 47 U.S.C. § 305(a); 47 U.S.C. § 904(a)(1).